

GOVERNOR'S COMMISSION ON GOVERNMENT

REFORM AND RESTRUCTURING

TOWN HALL MEETING

Christopher Newport University

Newport News, Virginia

July 13, 2010

COMMISSIONERS: Delegate Glenn Oder, Chairman; Lisa Hicks-Thomas; Alexandria Liddy Bourne

Matthew J. Bruning, Staff Member

DELEGATE ODER called the meeting to order and welcomed attendees. He introduced himself and explained the purpose of the town hall meetings.

COMMISSIONER HICKS-THOMAS, Governor McDonnell's Secretary of Administration, introduced herself. She talked about improving customer service and implementing business one-stops. She also talked about the need for online budget transparency.

MR. BRUNING, official Legislative Liaison for the Governor's office and Deputy Director for the Commission, introduced himself and thanked Christopher Newport University for hosting the town hall. He explained the process of reform and the reform commission's purpose. He emphasized the need for reform, not a report, and invited further public comment at [www.reform.virginia.gov](http://www.reform.virginia.gov). He announced that the next full Commission meeting would be on Tuesday July 20th at 9:00 a.m. in the Patrick Henry building in downtown Richmond. He explained each of the Commission's four committees and their goals.

MS. BOURNE was not present at the start of the town hall to introduce herself.

CHAIRMAN ODER introduced the following people, seated in the audience: Delegate Robin Abbott, of Newport News and a portion of James City County; Senator John Miller, of Newport News, parts of Hampton, parts of York County and all of Poquoson; Bruce Fetz, of the Virginia City County Board of Supervisors; Philip Bradshaw, Chairman of the Isle of Wight County Board of Advisors and President of the Virginia Association of Counties; Herbert DeGroft, Isle of Wight County School Board member; Sheila Noll, member of the Board of Supervisors in York County; and Ann Davis, treasurer of James City County and City of Williamsburg.

CHAIRMAN ODER opened the meeting for public comment.

Bruce Goodson, member of the James City County Board of Supervisors, said that the Commission should be a part of a nationwide effort to make government smaller and more efficient at all levels. He requested that the Commission carefully study the relationship between the Commonwealth and local governments like James City County. He said that local governments provide many of the state- 23

mandated services of the Commonwealth but are rarely funded for their actual cost. Instead of asking for more funding, he said, local government wants to be a partner to provide these services as efficiently as is practical. He said this would require flexibility from the state to achieve reform. He said that the structure of separately-elected taxing and financial officers, "which may have been appropriate a hundred years ago when local governments were small or non-existent, may not be the best way to perform these functions today." He said the current structure creates unnecessary fire walls and limits cross-training and shared duties of customer service and professional staff. He said that government at the local level wants to be a partner for reform, not just its recipient, and requires the freedom to be as efficient as possible.

Bill O'Neill, of Virginia is For Education, said that to improve the health of students in Virginia schools small, compact businesses like his should be made equal partners in the same way as not-for-profits like Boys and Girls Clubs. He proposed sending his mobile gymnasium to schools throughout the Commonwealth to improve student health.

MS. BOURNE arrived and introduced herself.

Cliff Dunn, small business owner in Newport News, said that the police department and fire department have somewhat overlapping duties, and that those duties should be more clearly delineated. He also talked about problems with transparency in property assessments and urged that foreclosed properties be given different treatment in factoring into property taxes.

Susan Fortunato, of the Organization for the Legacy of the Children, asked why Virginia does not have deposits on aluminum cans and plastic drinking bottles.

Philip Bradshaw, President of the Virginia Association of Counties and Chairman of the Isle of Wight County Board of Supervisors, said that VACO will work with the Governor and his administration to realize positive results from the Commission. VACO understands the significance of government reform, especially during the current economic crisis, he said. He stressed that it is imperative that all levels of government work together to find resolutions to pressing problems. He addressed the need for tax reform and new thinking in the midst of a crisis situation. He also emphasized the need for fiscal stability. He said that VACO "opposes changes in the Standard of Quality of the SOQ methodologies and the state and local division of financial responsibility that shifts education cost to the localities." The state should relax education mandates as it reduces general funding for public education, he said. He said that SOQ funding to support the Standards of Learning (the SOLs) and the Standards of Accreditation (SOAs) is insufficient. Consequently, he said, local leaders should have the flexibility to make reductions across state education categories when general funding is reduced. VACO asks the state to strengthen the stability of the general fund by initiating state tax reform. Significant tax reform will help to buttress the Commonwealth's general fund which he said finances most core government functions. He said that tax reform should include the restructuring of state income and sales and use taxes with the intent to stabilize and increase revenues to meet current and foreseeable core service demands in the future. Reform should also include revisiting of the specific tax reduction the Commonwealth enacted in better economic times that no longer may be affordable, he said. He said

that local governments require significant and sustainable revenue streams to meet state mandates. VACO suggests action that the local governing body, without a referendum, has the ability to increase the local sales tax and use by half a cent to help offset state budget reductions affecting localities.

Kent Carr of Gloucester, a commercial waterman on the board for replenishing oysters, said that the oyster business is being mismanaged and should be investigated.

Beatrice Walker, a VPI grad, complained that VPI has been allowed to “spin off and do its own thing.” He urged the state to come up with a detailed, long range stable plan about how it is going to handle higher education. He said fewer tax dollars should be spent on educating out-of-state or out-of-country students at state schools. He said that the practice of allowing out-of-country students to attend state schools at in-state tuition rates should be discontinued. He also said that Virginia candidates should not be able to collect campaign donations from out-of-state companies.

Trevor Waling, a rising senior and member of the President's Leadership Program at Christopher Newport University and Student Relay for Virginia chapter for the reformation of marijuana laws pushed for legalization of marijuana.

An unidentified speaker talked about special education and the need for group homes and special Olympics transportation.

Linda Fairman, of Yorktown, urged a return to fiscal responsibility and reductions in spending and taxes.

Herb DeGroft, Isle of Wight County School Board member, spoke about public education. He said that his small school system could save at least \$1.5 million of its 2011 budget of \$58.7 million by a simple combining or joining of service functions with the Board of Supervisors. He said this can be done across Virginia and save state and local taxpayers hundreds of millions of dollars in the approximately 130 school divisions and the localities that funds them. Also, he urged that the General Assembly and Governor work to pass legislation that directs this consolidation of services to reduce revenue demands by that one-half to two percent by 2011 or 2012 between school divisions and their “funding buddies.” He said that one office can serve multiple entities with financing the budget, human resources, information technology, legal services, facilities, and ground maintenance and transportation services.

David Murray, the Aging and Disability Resource Coordinator for the Peninsula Agency on Aging, said that for collaborations to work, local agency and departmental staff should be required to provide input on initiatives as well as an endorsement of the plan that they ultimately will be charged with implementing. He also said that leadership from the Governor should be a bigger priority than reform.

C.B. Harrell, retired City Commissioner for City of Newport News, discouraged construction of a road running parallel to Route 460 (running from Petersburg to Norfolk) because the existing route is sufficient to handle traffic between those places.

James Bowden of Poquoson urged a return to constitutional limits on the part of the federal government. He also asked that the government consider the relationship between its legitimate

functions and the revenue it collects in taxes. Finally, he called for an end to double-taxation (such as on land sales).

David Nachman, of the Virginia Organizing Project, asked that “both sides of the budgeting equation” be considered before cuts are made. He urged that the government support public investment and tax reform to make the system more accountable to constituents.

Scott Butler, a member of the Citizens for Fort Monroe National Park, made a case for the creation of that park.

John Miller called for redistricting of voting districts by a non-partisan committee. He also said that governors should be allowed to run for reelection to a second term.

Mike Mitchell of Hampton recommended implementing a classical style of education in Virginia schools, more support for Governor’s schools, and increased university research.

Ann Davis, Treasurer for James City County and President of the Virginia Treasurers Association, talked about discontinuing the practice of using private agencies for debt collection to avoid paying commissions. Instead, use local treasurers, she said.

Chuck Hall spoke about behavioral health services, recommending that the Commission revisit the requirement that public employees pay a portion of their retirement. He also recommended that Virginia stop funding state facilities for the behaviorally disordered since the private sector is better suited to this. He also recommend that special behavioral unit for sexually violent predators be conveyed to the Department of Corrections. He said that the public sector should be required to provide care for those with behavioral disabilities and substance abuse disorders. He also called for consolidation and improvement of information technology services.

Bill Massey of the Peninsula Agency of Aging in Newport News, recommended that an Office of the Secretary of Aging be established for the Commonwealth. Specifically, he said that the current Commission for the Department of Aging could be elevated to Secretary and current support staffing could remain in level funding.

Peggy Jones, a retired educator from Newport News, encouraged better spending of money on education. She urged the elimination of duplicate services (such as purchasing and payroll departments and legal services). She also said that more money should go to instruction and less to administration of schools.

MS. THOMAS addressed the town hall and expressed interest in hearing more from the County Treasurer about debt collection.

MR. BRUNING thanked the attendees for coming.

CHAIRMAN ODER adjourned the meeting at 7:05 p.m.